



## Topic: Health Insurance Coverage

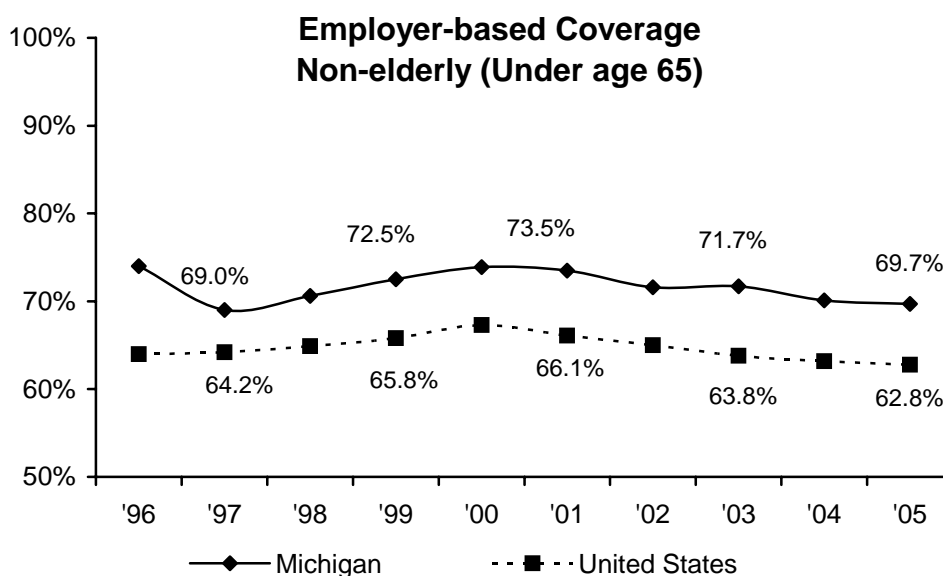
### 41. Employer-Based Coverage

#### *How are we doing?*

Most Americans, including Michigan residents, receive their health insurance through some type of employer-sponsored plan. According to the U.S Census Bureau Current Population Survey (CPS), in 2005, 69.4% of adults (18 to 64 years) and 70.4% of children (0 to 17 years) in Michigan had employer-sponsored health insurance. These rates of employer coverage, although still high, are a reduction from previous years.

#### *How Does Michigan compare with the U.S.?*

According to the CPS, rates for employer-based coverage are higher in Michigan than the rest of the U.S. In 2005, 62.8% of non-elderly Americans (0 to 64 years) had employer-sponsored health insurance, while 69.7% of Michigan residents had employer-sponsored coverage.



#### *How are different populations affected?*

Rates of insurance in Michigan vary by race, with 73.7% of Whites and 47.1% of Blacks having had employer-based coverage in 2005.

Varying incomes produce disparate levels of coverage. In 2005, those with incomes above 200% of the federal poverty level received employer-based coverage at a rate of 82.2%; those 100% to 199% of poverty received coverage at a rate of 52%; and only 18.9% of those below 100% of poverty had employer-sponsored coverage.

#### *What is the Department of Community Health doing to improve this indicator?*

The Michigan First Healthcare Plan will be a vehicle through which employers can offer low-cost health insurance to their employees. It is anticipated that the availability of this coverage will allow employers previously closed out of the market due to cost to purchase coverage for their employees.



## Critical Health Indicators

Since costs for the uninsured are shifted onto those who purchase health insurance, implementation of the Michigan First Healthcare Plan will reduce the cost of insurance premiums for all purchasers. In the Michigan Employer Health Insurance Survey, one of the factors that employers not offering insurance indicated would encourage them to provide insurance to their workers was lower premium costs. The Michigan First Healthcare Plan could provide this needed reduction in health insurance premiums.